

PPP Equity Pension Fund

Quarterly Report, Q3 2021
Issue 36



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|-----------------------|----------|
| Sept Net Asset Value: | \$5.704 |
| Assets: | \$1.537M |
| Inception: | Nov-12 |

PERFORMANCE

| | Fund | Benchmark* |
|---------|--------|------------|
| 1 Month | 1.95% | 1.11% |
| 3 Month | 5.43% | 5.51% |
| YTD | 9.79% | -0.53% |
| 1YR | 11.46% | -0.58% |
| 3Yr | 9.50% | 1.49% |

TOP FIVE HOLDINGS

| | |
|-------------------------|--------|
| FIDELITY BANK (BAHAMAS) | 19.09% |
| DOCTORS HOSPITAL | 18.19% |
| FINCO | 8.96% |
| FOCOL HOLDINGS | 8.24% |
| CABLE BAHAMAS | 7.04% |

ALLOCATION



Positive Outlook for 2022

In Q3 the Fund returned 5.43% versus 5.51% for the BISX All Share Index (BISX). Over the last three years the Fund averaged an annual return of 9.50%, versus the 1.49% generated by BISX.

The Bahamian economy continued its recovery in Q3 despite an increase in Covid cases as a result of the delta variant. The arrival numbers for the month of September was the highest since Covid began and continues the trend of tourism recovery. According to bookings with airlines and hotels, the Winter season is expected to be strong.

We are seeing a strong performance of BISX over the quarter as many stocks continued to grow after falling throughout 2020. BISX is heavily weighted towards CIBC First Caribbean (CIB), which appreciated by 10.4% in Q3.

Another star in Q3 was Commonwealth Brewery (CBB) which was up 53.8% in Q3. In 2020 CBB took a hit when hotel sales dried up, but as tourism picked-up in 2021 the stock recovered and is up 45.68% Year-to-Date, the second highest return for the year behind AML, which has grown by 56.14%.

A positive sign has been the recent uptick in the rate of vaccination. As more people get vaccinated, it helps reduce the transmission of covid and reduces the need for extreme restrictions which would have negative consequences for the economy.

For the remainder of 2021 we feel the Fund's equity portfolio is positioned to continue outperforming BISX going forward and that the Bahamian economy will continue to grow as the threat of the delta variant wanes and the rate of vaccination increases.

The Targeted Equity Fund is a sub fund of the Bahamas Opportunities umbrella investment fund, which began in November 2012. Performance shown is for Series 1, or retail, shares, which may differ from other Series offered in the fund. The asset allocation shown is subject to change without notice and at the discretion of the investment manager, subject to the restrictions outlined in the fund's offering documents. Past performance doesn't guarantee future success.

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